

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

EXPERIMENTAL PERIODICALS
CO-PALLETIZATION DROPSHIP
DISCOUNTS, 2002

Docket No. MC2002-3

REVISED RESPONSE OF UNITED STATES POSTAL SERVICE
WITNESS ALTAF H. TAUFIQUE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1, QUESTION 1
ERRATA (November 21, 2002)

The United States Postal Service hereby files the revised response of witness Altaf H. Taufique to Chairman's Information Request No. 1, Question 1. This revised response should replace the original response to Question 1, filed on October 25, 2002.

In responding to the Chairman's questions about whether the Postal Service intended to collect specified data during the experiment, the October 25 original response stated:

During the settlement process, we plan to discuss the possibility of getting these data from participating mailers/printers/consolidators as part of the documentation that will be provided to the Postal Service. The information thus provided would be maintained by the Postal Service and a summary could be provided to the Commission every six months during the experiment.

Accordingly, on November 8, 2002, the Postal Service filed the Notice of the United States Postal Service Of Distribution Of Model Spreadsheet For Collecting Data. This Notice indicated that the Postal Service had sent an electronic spreadsheet to the service list, as well as to other potential users of the discounts proposed in this proceeding. After receiving responses to the Notice, and discussing data collection with

the Office of the Consumer Advocate, the Postal Service is now able to file a revised response to the Chairman's question, which includes an attached Data Collection Plan.

The request is stated verbatim and is followed by the revised response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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November 21, 2002

RESPONSE OF UNITED STATES POSTAL SERVICE
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CHAIRMAN'S INFORMATION REQUEST NO. 1

Revised November 21, 2002

1. Witness Taufique's testimony (USPS-T-1 at 16) regarding the proposed data collection plan lacks the specificity and related explanation contemplated by Commission rule 67c(b). This rule requires the Service to provide, among other things, a detailed description of the data involved in the anticipated collection effort. The testimony also omits any reference to periodic reporting.

- a. Please list the data that the Postal Service intends to collect during the experiment in order to determine whether the experiment is successful. Specifically, will the Postal Service collect the following information:
- number of permit holders using the discount
 - number of pallets per ADC, SCF
 - number of pounds Per ADC, SCF
 - number of pieces earning each discount per ADC, SCF?
- b. If the service does not plan to provide such information to the Commission at least every six months, please explain why.

RESPONSE:

- a. The Postal Service is planning to collect the data that would be reported in the RPW system, that is the number of pieces receiving the ADC or SCF dropship discounts. The RPW data, however, would not provide it with the number of permit holders, pallets or pounds.

On November 8, 2002, the Postal Service filed the Notice of the United States Postal Service Of Distribution Of Model Spreadsheet For Collecting Data. This Notice indicated that the Postal Service had sent an electronic spreadsheet to the service list, as well as to other potential users of the discounts proposed in this proceeding. After receiving responses to the Notice, and discussing data collection with the Office of the Consumer Advocate, the Postal Service has written a Data Collection Plan, which is attached to this response.

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In response to the specific questions of the Chairman in this Request, the Postal Service intends to provide, based on data provided by the participants, the number of titles qualifying for the discounts, as well as the numbers of pallets and pounds qualifying for each of the two discounts (SCF and ADC). Since each title is assigned a unique publication number (sometimes referred to as a permit number), the number of titles is comparable to (and should be the same as) the number of permit holders.

b. Not applicable.

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The following is a description of the Postal Service's data collection plan for the proposed Periodicals Co-Palletization Dropship Discounts experiment. The purpose of the collected data is to provide a measure of the experiment's effectiveness, and the data necessary to prepare any request for a related permanent classification change. This plan has been designed to collect data required by the Commission's Rules 64 and 54, and data desired for postal management's evaluation of the proposed discounts.

First, the Postal Service proposes to collect the data that would be reported in the RPW system, that is, the number of pieces receiving the ADC or SCF dropship discounts.

Second, the Postal Service plans to obtain data from the experiment's participants using a spreadsheet like that attached to the November 8, 2002, Notice of the United States Postal Service Of Distribution Of Model Spreadsheet For Collecting Data. Using these data, the Postal Service plans to report the following data:

- number of pieces receiving the ADC discount
- number of pieces receiving the SCF discount
- number of titles receiving one or both of the co-palletization discounts
- number of containers that would have been sacks without consolidation, as well as their weight and the number of addressed pieces
- number of containers that would have been pallets without consolidation, as well as their weight and the number of addressed pieces
- number of sacks after consolidation, as well as their weight and the number of addressed pieces

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- number of pallets qualifying for the ADC discount, as well as their weight and the number of addressed pieces
- number of pallets qualifying for the SCF discount, as well as their weight and the number of addressed pieces

These reports will be filed with the Commission on a schedule matching Postal Service fiscal year quarters. The first report will cover the first two quarters during which the experiment is in effect. This first report might be for less than two full quarters if the experiment begins in the middle of a quarter. Subsequent reports will cover two full quarters for the duration of the experiment. Reporting data every six months will reduce unnecessary paper flow, while still providing regular and up-to-date information on the progress of the experiment.

The Postal Service anticipates that collection of the data and preparation of each report will take between six and eight weeks, following the end of a reporting period.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

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